

James T. Jackson, Esq. SBN 153587
Email: jjackson@jacksonandassociateslaw.com
Jessica A. Crabbe, Esq. SBN 263668
Email: jcrabbe@jacksonandassociateslaw.com
JACKSON & ASSOCIATES
Attorneys at Law, A Professional Corporation
2424 S. E. Bristol, Suite 300
Newport Beach, California 92660
Tel: (949) 932-0692

Attorneys for Defendant/Counter-claimant *TIMOTHY LI*

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

BUSINESS WARRIOR
CORPORATION, a Wyoming
corporation,

Plaintiff,

vs.

TIMOTHY LI, an individual, and DOES
1 through 10, inclusive,

Defendants.

TIMOTHY LI, an individual,

Counter-Claimant,

vs.

BUSINESS WARRIOR
CORPORATION, a Wyoming
corporation, and ROES 1 through 10,
inclusive.

Counter-Defendants.

CASE NO. 8:22-CV-2144

[Assigned to Honorable David O. Carter]

**COUNTER-CLAIMANT TIMOTHY
LI'S COUNTER-CLAIM**

[DEMAND FOR JURY TRIAL]

ACTION FILED: 11/28/2022
TRIAL DATE: NONE

1 Counter-claimant Timothy Li (“Counter-claimant” or “Li”) counter-claims against
2 Counter-defendants Business Warrior Corporation, a Wyoming corporation (“Counter-
3 defendant” or “BWC”), and ROES 1 through 10, and alleges as follows:

4 JURISDICTION & VENUE

5 1. This Court has jurisdiction over the subject matter of this action pursuant to
6 28 U.S.C. Sec 1332. At all times material, Counter-claimant Timothy Li is an individual
7 residing in California, Counter-defendant BWC resides in Nevada and, the amount in
8 controversy exceeds the sum of \$75,000.00.

9 2. Venue lies in the United States District Court for the Central District of
10 California pursuant to 28 U.S.C. Secs 1391(b), (c), and (d), and/or 1400(b), as Li resides
11 in Orange County and the events or omissions giving rise to Counter-claimant’s claims
12 occurred within this judicial district.

13 INTRODUCTION

14 3. This Counter-claim arises out of a breach of an employment agreement
15 between Defendant/Counter-Claimant Timothy Li (“Li” and/or “Counter-claimant”) and
16 Plaintiff/Counter-defendant Business Warrior Corporation (“BWC” and/or “Counter-
17 Defendant), and, BWC’s failure to pay all wages due and owing to Li.

18 STATEMENT OF FACTS

19 4. On or about June 8, 2022, Li entered into an Executive Employment
20 Agreement (“Agreement”) with BWC. A true and correct copy of the Agreement is
21 attached hereto as **Exhibit A**.

22 5. Under the Agreement, Li was to be paid an annual salary of \$200,000.00; a
23 sign-on bonus of \$150,000.00 (the “Bonus”) to be paid within thirty days of the effective
24 date of the Agreement or, no later than July 8, 2022, all subject to customary withholding
25 of taxes on wages, as well as other employment taxes; paid vacation and paid holiday pay,
26 as well as mandatory sick leave.

27 6. As of the filing of this Counter-claim, BWS has not paid said Bonus and has
28 steadfastly refused to do so.

7. As a result of BWC’s unilateral termination of Li on or about October 13, 2022, Li was entitled to receive and, BWC was obligated to pay within 72 hours of Li’s termination, all compensation due and owing, including wages, bonuses, accrued vacation, unpaid holiday pay and, accrued sick leave.

8. As a result of BWC’s failure to pay all amounts due and owing at the time of Li’s termination, Li is thus entitled to 30 days of waiting time penalties

CLAIMS FOR RELIEF

FIRST CLAIM FOR RELIEF

(Breach of Contract Against Counter-Defendant Business Warrior Corporation)

9. Counter-complainant incorporates each and every allegation set forth in Paragraphs 1 through 8 as if fully set forth herein.

10. On or about June 8, 2022 Counter-claimant entered into a written Executive Employment Agreement (“Agreement”) with Counter-defendant BWC. See **Exhibit A**.

11. Counter-claimant has performed all conditions, covenants and promises required by it on its part to be performed in accordance with the terms and conditions of the written Agreement.

12. Counter-defendant has breached said Agreement by refusing to pay the sums due thereon.

13. As a result of said Counter-defendant’s breach, Li has been damaged in an amount believed to be in excess of \$148,000.00.

14. As a further result of Counter-defendant’s breach of the written Agreement, Li has incurred consequential damages in an amount which will be proven at time of trial, including, but not limited to, damages incurred in mitigating its damages.

15. As a further result of Counter-defendant’s breach of the written agreement, Li has incurred and will continue to incur attorneys’ fees in filing and prosecuting this action. Li is entitled to reasonable attorneys’ fees, in addition to any other relief granted by this court.

//

CLAIMS FOR RELIEF

SECOND CLAIM FOR RELIEF

(Failure to Pay All Wages Upon Termination Cal. Labor Code §§ 201, 202, 203

Against Counter-Defendant Business Warrior Corporation)

16. Counter-claimant incorporates each and every allegation set forth in Paragraphs 1 through 15 as if fully set forth herein.

17. California Labor Code § 201 provides that any discharged employee is entitled to all wages due at the time of discharge.

18. Where an employer willfully fails to pay discharged or quitting employees all wages due as required under the California Labor Code, the employer is liable to such employees under California Labor Code § 203 for waiting time penalties in the amount of one (1) day's compensation at the employees' regular rate of pay for each day the wages are withheld, up to thirty (30) days.

19. During all relevant times, Counter-defendant knowingly and willful violated California Labor Code §§ 201 and 202 by failing to pay Li who is no longer employed by Counter-defendant all wages owed as alleged herein. Counter-defendant is therefore liable to Li, whose employment was terminated by Counter-Defendant, for waiting time penalties as required by California Labor Code § 203.

20. As a further result of Counter-defendant's actions, Li has incurred and will continue to incur attorneys' fees in filing and prosecuting this action. Li is entitled to reasonable attorneys' fees, in addition to any other relief granted by this court

WHEREFORE, Counter-claimant Timothy Li prays for judgment against Counter-defendant as follows:

1. For the general damages in the sum in excess of \$148,000.00, the exact amount is to be proven at trial;

2. For consequential damages according to proof;

3. Award of waiting time penalties under California Labor Code section 203 for Counter-Defendant's failure to pay all wages due at the time of termination of

1 employment;

2 4. For interest on the principal sum at 10%;


3 5. For reasonable attorneys' fees;

4 6. For costs of suit herein incurred; and

5 For such other and further relief as the court deems just and proper

6
7 DATED: January 23, 2023

JACKSON & ASSOCIATES
Attorneys at Law, A Professional Corporation

8
9
10 By: 
11 James T. Jackson
12 Jessica A. Crabbe
13 Attorneys for Counter-claimant/Defendant
14 *TIMOTHY LI*

CERTIFICATE OF SERVICE

The undersigned hereby certify that a true and correct copy of the **COUNTER-CLAIM**, filed through the ECF System will be sent electronically to the registered participants as identified on the Notice of Electronic Filing (NEF) and paper copies will be sent to those indicated on non-registered participants on **January 23, 2023**.

Executed on **January 23, 2023**, at Newport Beach, California.



Rosie Cantillo